GOVERNMENT OF INDIA
SURFACE TRANSPORT
LOK SABHA

STARRED QUESTION NO:404
ANSWERED ON:24.04.2000
CESS ON DIESEL AND PETROL FOR CONSTRUCTION OF ROADS
NAWAL KISHORE RAI;SHANKERSINH VAGHELA

Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether the cess on diesel and petrol to mobilise funds for construction of roads during last year is still being collected;

(b) if so, the total funds collected through the cess so far;

(c) whether any formula has been worked out to spend this fund; and

(d) if so, the details thereof?

Answer

MINISTER OF SURFACE TRANSPORT

(SHRI RAJNATH SINGH)
(a) Yes, Sir.

(b) The estimated collection of cess on petrol and diesel is Rs.6257 crore up to 31st March 2000.

(c) & (d) Yes Sir. 50% of the cess of Re1/- per liter on HSD will be spent on development of rural roads. 15% of the cess on HSD and 30% of the cess on petrol will be used for development of State roads. The balance amount, i.e., 35% of the cess of on HSD and 70% of cess on petrol will be used for development of National Highways and construction of ROBs and safety works on unmanned level crossings.